

Environmental Performance

Environmental Accounting

Hino Motors tabulates the costs and results of environmental conservation activities based on the Environmental Accounting Guidelines of Japan's Ministry of the Environment. This enables the Company to contribute to environmental conservation through effective environmental investment and sustained reductions in its environmental load.

In fiscal 2015 the sum total of environmental conservation costs increased by 27% year-on-year to ¥35.5 billion, equivalent to 2.9% of sales. The economic effect of environmental conservation on the Group's financial performance was ¥1.4 billion, down 60% compared to the previous fiscal year, due to active capital investment and depreciation in steel prices in fiscal 2014.

Environmental Conservation Costs

■ Environmental Conservation Costs

Unit: millions of yen

Environmental Conservation Costs		FY2014 Results		FY2015 Results		Cause of discrepancy
Item	Description of major initiatives	Investments	Costs	Investments	Costs	
(1) Costs in operational areas		1,093	893	659	846	
① Pollution prevention costs	Expenses for environmental risk countermeasures, drainage water treatment, and other activities	331	482	76	389	Year-on-year reduction due to difference in investment amount between fiscal 2014, which included prioritized installation of activated charcoal deodorizing equipment, and investment projects implemented in fiscal 2015.
② Global environmental conservation costs	Installation of energy-saving equipment	632	142	552	132	
③ Resource recycling costs	3R promotional activities, waste disposal, and other activities	35	364	31	325	
(2) Upstream and downstream costs	Additional costs for reducing environmental load	0	78	0	72	
(3) Management activity costs	Ongoing implementation of environmental management systems, and information disclosure	0	410	0	441	
(4) Research & development costs	R&D expenses for reducing environmental load	0	26,120	0	33,568	Increased investment due to development of new modular design-based products.
(5) Social activity costs	Costs for environmental improvements, including off-site environmental conservation, tree planting, and beautification projects.	0	4	0	3	
(6) Environmental remediation costs		0	0	0	0	
Total		1,093	27,506	659	34,930	—

Note: Because certain investment items are difficult to determine as solely environmental, only those items for which a clear and exclusive environmental objective can be unquestionably ascertained are posted.

Results of Environmental Conservation

■ (1) Economic results

Unit: millions of yen

	Details of results	FY2014	FY2015	Cause of discrepancy
Profits	Operational income from recycling	1,939	1,185	Reduction in recycling costs due to depreciation in steel prices.
	Others			
Reduced costs	Reduction in energy costs due to energy conservation	403	183	Active capital investment in the previous fiscal year in highly effective projects such as the electric heat pump-powered steam air conditioning system.
	Reduction in waste treatment costs due to resource conservation and recycling	42	37	
	Others			
Total		2,384	1,405	—

■ (2) Quantitative results

Item	FY2014	FY2015
CO ₂ reduction (tons-CO ₂)	9,804	4,259
Waste reduction (tons)	917	793

Note: The results of environmental conservation are calculated only for those items that can be definitely identified as having an effect over a single year.